

in that opinion now. I freely admit that we all took a more sanguine view than subsequent events have for the present justified; but it was then impossible to foresee that America was to be prostrated by a succession of deficient harvests, and the trade of the country brought almost to a dead lock.

The Detroit and Milwaukee Company was then in difficulties,—it must obtain assistance from some source,—it was known that the Grand Trunk Company were making arrangements to make Detroit their Western Terminus, and that they would seek to secure the control of all the avenues bringing Western traffic to that point. After having done so much to aid the construction of the Detroit and Milwaukee, and to secure its control, it would have been most improper to permit it at that juncture to slip out of our hands.

It was under these convictions that I fully concurred with the Board, and the great body of our Shareholders, in believing that it was a matter of great importance to aid the Detroit and Milwaukee in its then extremity.

Of course the great object with all parties then was to secure an additional stream of traffic, and notwithstanding all the drawbacks we have had to contend with, the traffic of the Detroit and Milwaukee line now brings an additional business to the Great Western Line, which yields a large return on the amount of the loans, and which there is every reason to believe will not only be greater in future, but that the revenue of the Detroit and Milwaukee itself will so improve, as to enable it ultimately to pay interest on the loan beside.

It must not be forgotten either, in considering this question, that for an outlay of £250,000, we have secured absolute control of a line of Railway 185 miles in length, running through a growing and thriving country, and by its connections west of Lake Michigan, securing to us the great bulk of the through traffic of the States of Wisconsin, Iowa, and Minnesota, the population of which has more than doubled in the last ten years.

Mr. Trowbridge's statement disclosed a state of finances at variance with that made in the letter dated 7th September, 1857, from Mr. Walker and Mr. Stewart to the Board in London. A careful examination, however, showed that a large amount of the debts could be postponed for a long period of time, that the works could be carried on with very small cash payments, and that the loan of £150,000, if judiciously expended, would secure the opening of the Line, which was the object had in view, when it was determined to grant it.

After very great deliberation it was decided, before I left London, to go on and complete the Line, provided I found, when I got to America, that I could, in conjunction with Mr. Reynolds, who had just been appointed Financial Director of this Company, make such arrangements with the creditors as would set free the Rails and other materials required to finish the line, and leave sufficient funds to carry on the works required for its completion.

We did succeed in making the necessary arrangements, and were enabled to open the Line with the means at our disposal.

The discretion was as to being able to make such arrangements with the secured creditors as would enable the Line to be opened with the means at our disposal. These arrangements were concluded on even more favourable terms than was expected when I left England.

The letters addressed to me, prior, to the 18th December, 1857, all distinctly reiterated the instructions which I had received before I left.

Immediately on landing at New York I met the two largest creditors and arranged with them as to the postponement of their debts in the manner desired by the Board.

I then went on to Canada, and without delay proceeded, in conjunction with Mr. Reynolds, with the duty entrusted to us relative to the Detroit and Milwaukee Company's debts, and to the rigid scrutiny of their Books.